

## Colchester Community and Economic Development Advisory Council (CEDAC) Minutes January 21, 2010

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Members Attending: David Usher, Chair, Nanci Glindmyer, Vice-Chair, Mike Mazza, James Ehlers, Joe Egan, Paul Olsen, J. Churchill Hindes, Deborah Winters. Absent: Bill Peters. Others: Kimberly Murray.

The minutes from November were approved. Motion made by James, seconded by Mike. The December 17<sup>th</sup> minutes were tabled until the February 18th meeting.

Kimberly gave an overview of the 2010 VT Economic Outlook Conference held every year in Burlington. She included information on the national and state outlook for the year, VT's tax system compared with other states, job losses, housing market status, and grim picture ahead for our state budget deficit issues. Vermont needs some fundamental change and policy redirection but that will be tough for our Legislature to do.

### Tax Increment Financing District (TIF)

Town staff and the developers at Severance Corners have been meeting the last year or so on coming up with some creative financing mechanisms to pay for the community infrastructure costs at Severance Corners. The developers have pursued the Town to consider a TIF District and are asking the Select Board at their meeting next Tuesday to prepare an application to the State. A letter of intent to file an application was sent back in December. Kimberly would be the staff person to prepare the application with assistance from staff. Kimberly explained a bit about the financing mechanism the TIF provides as did Dave. Below is a basic description of how a TIF works excerpted from the state's web site:

<http://www.dhca.state.vt.us/TIF/tif%20homepage.htm>

Generally, a TIF District is established by a municipality around an area that requires public infrastructure to encourage public and private real property development or redevelopment. The property values at the time the District is created are determined and the property taxes generated by that original value continue to go to the taxing entities (municipality and state). The municipality incurs debt to build public infrastructure, the real property development and redevelopment occurs, and for a limited time, seventy-five percent of the incremental municipal and state property taxes that are generated are used to pay the infrastructure debt and twenty-five percent continues to go to the taxing entities (municipality and state). After the twenty-year property tax retention period, 100% of the property taxes generated go to the taxing entities. A municipality may create a TIF District by following statutory requirements and utilize only municipal property tax revenues. If the municipality requires the utilization of incremental state education property tax revenues, further statutory requirements apply, including the requirement to apply to the Vermont Economic Progress Council to obtain approval of a TIF District Plan and a TIF District Financing Plan.

James mentioned that he is concerned we are obligating ourselves to this area of town and not dealing with current infrastructure needs in the Bay or the Village. The group felt they needed to learn more about this topic to comment. The Select Board has not asked for the CEDAC's input. They are concerned that this is an enormous economic development undertaking and the Select Board has not asked the CEDAC's recommendations or thoughts about it. This is disconcerting to them that they have not been involved at all. Kimberly said she would email the link to the state webpage. Dave asked that the group by noon tomorrow submit bullet points of concern or

questions about TIF districts in preparation for the Select Board meeting next Tuesday. Deb mentioned Milton's proactive development activities in the last few years as compared to Colchester's.

The Council would like to explore this further at their next meeting.

Other Business:

Kimberly explained that the Town is investing in a full page color ad in the LCI Gazette this year to welcome anglers to Colchester for the Annual Father's Day Fishing Derby. Deb wondered if the Town could take advantage of all the visitors and hold a special event at Bayside to draw more people in. The idea came up if there was a way to involve the Colchester business members of the Lake Champlain Regional Chamber of Commerce in this work.

James mentioned Polaski, NY and how well they have done promoting salmon fishing in their rivers. Bob Shannon and fishing guide from Stowe and Polaski is willing to come and speak to the group about the topic as well as Tom Barry, who used to be the Chair of the Planning Commission and a liaison in Senator Leahy's office and hear his ideas on waterfront development. James also mentioned that the professional B.A.S.S. organization would be interested in coming to Colchester instead of Plattsburgh in September 2011. Mike will be meeting with them to discuss their needs. It would bring 150 bass fishermen to the area. James is exploring starting a new LCI fundraiser festival in April 2011 celebrating the two rivers emptying into the Lake.

The next meeting will be February 18, 2010.

Respectfully submitted by,  
Kimberly L. Murray, AICP